



**Health Services**  
LOS ANGELES COUNTY

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Deputy Director, Strategic Planning

March 18, 2014

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

25 March 18, 2014

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF AMENDMENT TO AGREEMENT WITH  
DEPARTMENT OF VETERANS AFFAIRS GREATER LOS  
ANGELES HEALTHCARE SYSTEM  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval of an Amendment to the Education Affiliation Agreement with the Department of Veterans Affairs facility, Greater Los Angeles Healthcare System, to include disbursement provisions allowing LAC+USC Medical Center to be reimbursed for the salaries and fringe benefits provided to County Resident Physicians who receive specialized training at this Department of Veterans Affairs site.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director of Health Services (Director), or his designee, to execute an Amendment to Agreement No. H-702820 with the Department of Veterans Affairs (VA) facility, VA Greater Los Angeles Healthcare System (VAGLAHS) effective upon execution by both parties, for the VAGLAHS to reimburse LAC+USC Medical Center (LAC+USC MC) for the salaries and fringe benefits that LAC+USC MC pays to County Resident Physicians (Residents) while assigned to specialized training rotations at the VAGLAHS.
2. Delegate authority to the Director or his designee, to execute future amendments to the Agreement to update the Disbursement Agreement Rate Schedule for annual rate increases, when necessary, subject to review and approval by County Counsel, and with notice to the Board and Chief Executive Office (CEO).

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[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To ensure access to high-quality,  
patient-centered, cost-effective  
healthcare to Los Angeles County  
residents through direct services at  
DHS facilities and through  
collaboration with community and  
university partners.*



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### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

For many years, the County has entered into Affiliation Agreements with a variety of institutions, to allow County Resident Physicians to obtain essential observational and practical experience in their respective medical fields when such training is not available at any County facilities. Similarly, the County has also entered into Affiliation Agreements with institutions to allow their Residents to receive training at County facilities.

Going into the subject Agreement, which allows for the reciprocal exchange of residents, the Board was informed on June 19, 2007 that there would be no monetary exchange between the County and VAGLAHS. However, the parties understood that County Residents would be paid their salary, including fringe benefits, directly by VAGLAHS for the training they received at their facility.

The VA adopted the military's Defense Finance and Accounting Services system in November 2008 making direct payment of the Residents' salaries to them. Soon thereafter, payroll processing became challenging for the VA, due to the frequent turnover as the Residents' clinical training assignments, in many instances, were for a period of 30 days or less. To mitigate the risk of late payment to County Residents, LAC+USC MC began paying the salaries and fringe benefits for its Residents when training at the VAGLAHS facilities, effective July 1, 2012. This recommended amendment includes a disbursement agreement that will allow the VAGLAHS to reimburse LAC+USC MC moving forward.

Approval of the recommended actions will allow the Director, or his designee, to execute an Amendment substantially similar to Exhibit I, in order for LAC+USC MC to be reimbursed for the salaries and fringe benefits paid to approximately 18 Residents rotating to the VAGLAHS, and execute future amendments to update the Disbursement Agreement Rate Schedule upon approval of new rates/changes. Rate changes (increase or decreases) are subject to review and approval by the Chief Academic Affiliations Officer of the VA.

### **Implementation of Strategic Plan Goals**

The recommended actions supports Goal 1, Operational Effectiveness, and Goal 2, Fiscal Sustainability of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

It is estimated, based on historical experience, that the County will be reimbursed \$657,000, annually. With the Board's approval, the annual reimbursement amount will be adjusted via future amendments to reflect any workload/rate changes. The

reimbursement will be included in DHS' fiscal year (FY) 2014-15 Adopted Budget and future fiscal years.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The respective LAC+USC Residents will receive training in all available residency programs at the VAGLAHS. The performance of resident educational activities at VAGLAHS is guided by the monthly or rotational schedules prepared by the VAGLAHS Program Director, and must meet all Accreditation Council for Graduated Medical Education (ACGME) or American Osteopathic Association (AOA) requirements regarding duty hours for programs developed by the ACGME, or AOA.

The Agreement including the attached Appendix and Attachment does not include the usual County provisions because the VA is required to use its' Federal Agreement format.

County Counsel has approved Exhibit I as to form.

#### **CONTRACTING PROCESS**

Resident Affiliation Agreements are not subject to the County's contracting process.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will benefit the County by allowing LAC+USC MC to be reimbursed for their Residents' salaries and fringe benefits who receive specialized training at the VAGLAHS.

Respectfully submitted,



Mitchell H. Katz, M.D.  
Director

MHK:ls

Enclosure

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

EDUCATION AFFILIATION AGREEMENT BETWEEN THE DEPARTMENT OF  
VETERANS AFFAIRS (VA) AND NON-VA HEALTH CARE FACILITY OR AGENCY

Amendment No. 1

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_\_\_,

By and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

And

VETERANS AFFAIRS  
GREATER LOS ANGELES  
HEALTHCARE SYSTEM  
(hereafter "Contractor")

Business Address:

11301 Wilshire Boulevard  
Los Angeles, CA 90073

WHEREAS, reference is made to that certain document entitled Education Affiliation Agreement between the Department of Veterans Affairs (VA) and Non-VA Health Care Facility or Agency "\_\_\_\_\_", dated \_\_\_\_\_, and further identified as Agreement No.: H-702820, and any amendments thereto (all hereafter referred to as "Agreement"); and,

WHEREAS, it is the intent of the parties hereto to amend Agreement to include disbursement provisions to the Agreement and incorporate Appendix A and Attachment A; and

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective upon Board approval.
2. Appendix A DISBURSEMENT AGREEMENT FOR RESIDENT SALARIES AND FRINGE BENEFITS FOR PAYMENT IN ARREAS shall be added and is attached hereto and incorporated herein by reference.
3. Attachment A, DISBURSEMENT AGREEMENT RATE SCHEDULE shall be added and is attached hereto and incorporated herein by reference.
4. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by the County's Director of Health Services and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
Mitchell H. Katz, M.D.  
Director of Health Services

CONTRACTOR

VETERANS AFFAIRS GREATER LOS ANGELES HEALTHCARE SYSTEM

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

APPROVED AS TO FORM  
BY THE OFFICE OF THE  
COUNTY COUNSEL

## **DISBURSEMENT AGREEMENT FOR RESIDENT SALARIES AND FRINGE BENEFITS FOR PAYMENT IN ARREARS**

The Los Angeles County/University of Southern California (LAC + USC), Los Angeles, California and the Department of Veterans Affairs facility, VA Greater Los Angeles Healthcare System, Los Angeles, California do hereby mutually agree to the following:

### **1. DEFINITIONS**

**A. Accreditation.** Accreditation is a status of public recognition that an accrediting agency grants to an educational institution or program that meets the agency's established standards and requirements. Accreditation represents a professional opinion about the quality of an educational program. VA will accept trainees only when the sponsoring institution and the educational program are accredited.

**B. Accrediting Agencies for Physician Education.** Authorized United States (U.S.) accrediting agencies recognized by VA for undergraduate medical education are the Liaison Committee on Medical Education (LCME) for allopathic medical schools and the American Osteopathic Association (AOA) Commission on Osteopathic College Accreditation (COCA) for osteopathic medical schools. Medical postgraduate training is accredited by the Accreditation Council for Graduate Medical Education (ACGME). The AOA, through its Program and Trainee Review Committee (PTRC) and the Council of Postdoctoral Training (COPT), approves osteopathic postdoctoral training programs.

**C. Accrediting Agency for Dental Education.** The Commission on Dental Accreditation (CDA) is the national accreditation entity for undergraduate and graduate dental education.

**D. Affiliation.** An affiliation defines the relationship between VA and an educational institution or other health care facility for the purposes of education, research, and enhanced patient care (see current VHA policy). VA and the affiliated training program sponsors have a shared responsibility for the educational enterprise.

**E. Affiliation Agreement.** An affiliation agreement is the required document that enables an affiliation relationship with a sponsoring institution, which ensures compliance with accrediting body institutional requirements.

**F. Program Letter of Agreement (PLA) or Memorandum of Understanding (MOU).** An educational PLA or MOU is a required document drafted jointly by VA and a specific educational program, or health care facility that provides a trainee with an educational experience.

(1) An educational PLA or MOU is required in addition to a formal Affiliation Agreement and may not substitute for an affiliation agreement. These documents need to conform to the standards of the appropriate accrediting body. They must:

- (a) Identify the faculty who will ensure teaching, supervision, and evaluation of trainee performance including duty hours;
- (b) Outline trainee educational objectives

(c) Specify periods of trainee assignment; and  
(d) Establish policies and procedures for maintaining trainee education during the assignment.

(2) Neither the Office of Academic Affiliation (OAA) nor VA General Counsel needs to approve an educational PLA or a MOU; however, there must be an affiliation agreement between the parties in place before an educational program agreement can be signed.

(3) PLAs cannot conflict with the affiliation agreement, address issues already covered in the agreement, or address other legal issues, such as liability or payments between the parties or to the trainees.

**G. Associate Chief of Staff (ACOS) for Education.** The ACOS for Education is the designated facility education leader with expertise in health professions education, especially graduate medical education (GME).

**H. Chief of Staff.** The facility Chief of Staff is the local management official responsible for establishing, maintaining and evaluating the quality of clinical training programs at a VA medical facility. The ACOS for Education (or similar education leader) assists the Chief of Staff in fulfilling these requirements.

**I. Continuity Clinics.** Continuity clinics provide comprehensive patient care, including health maintenance and chronic disease management, by way of a patient's long-term relationship with a particular practitioner or practice group. Participation in continuity clinics is a required educational experience for medical residents.

**J. Designated Education Officer.** The DEO is the single, designated VA employee who has oversight responsibility for all health professions training at a VA medical facility.

(1) Together with the VA Chief of Staff, the DEO has responsibility for the management of all clinical training program affiliations. The preferred organizational title for this education leader is ACOS for Education, but other titles such as Director of Education or Chief Education Service Line, may be used.

(2) All VA facilities that either sponsor or participate in accredited graduate training programs in medicine (allopathic or osteopathic) or dentistry must have a single, appropriately qualified VA employee who is identified as having overall oversight of trainee education, i.e., the DEO.

(3) The DEO is an education leader (often titled as ACOS for Education) who serves in a capacity at VA similar to that of the Designated Institutional Official (DIO) at the sponsoring institution. The DIO has the authority and responsibility for the administration and oversight of all accredited training programs at the sponsoring institution, and for ensuring compliance with the accrediting body's institutional requirements.

**K. Designated Institutional Official.** The DIO is an individual employed by the sponsoring entity who has the authority and responsibility for the oversight and administration of all accredited training programs at the sponsoring institution, and ensures compliance with accrediting body institutional requirements, and for the oversight and administration of trainees in discipline-specific programs. The ACGME requires that each institution sponsoring ACGME-accredited programs have an individual appointed as the DIO who is responsible for ensuring

compliance with ACGME institutional requirements. For affiliated institutions with osteopathic training programs, the comparable individual is called the "Director of Medical Education."

**L. Didactic Sessions.** Didactic sessions are formal, structured educational meetings for the exchange of medical or dental information. Didactic sessions include lectures, seminars, conferences and "grand rounds," but not clinical assignments. For the purpose of this Handbook, didactic sessions do not include classes taken for credit towards a degree program.

**M. Educational Activities.** For the purposes of this Handbook, educational activities include all activities in which trainees participate in order to meet educational goals or curriculum requirements. These may include:

- (1) Inpatient and outpatient clinical duties, including continuity clinics;
- (2) Didactic sessions;
- (3) Research;
- (4) Literature searches;
- (5) Assigned independent study;
- (6) Attendance at committee meetings (e.g., quality improvement or pharmacy committees);
- (7) Participation in root cause analysis teams;
- (8) Scholarly activities undertaken as part of an accredited training program; and
- (9) Approved educational details.

**N. Educational Detail.** An educational detail is an authorized training experience at a non-VA, non-sponsoring institution or participating site, including experience at a VA or other Federal site different from the VA facility where the majority of the resident's training occurs.

**O. Residency or Training Program Director.** The residency or training program director (hereafter, referred to as the "Program Director") reports to the sponsoring institution on matters of program accreditation. This individual is responsible for the maintenance, evaluation, and improvement of a particular education and training program across all affiliated sites and may or may not be based at the VA facility.

**P. Residents.** Residents are physician and dentist trainees engaged in post-graduate specialty or subspecialty training programs.

(1) The term "resident" includes individuals in their first post-graduate year (PGY) 1 of training, often referred to as "interns," and individuals in subspecialty graduate medical education programs, generally referred to as "fellows" (often PGYs 4 and above, depending upon the specialty).

(2) "Resident" also refers to individuals designated as "house staff." Individuals in non-accredited programs, including VA Advanced Fellows, are not considered residents for the purpose of this policy.

**Q. Chief Resident.** The Chief Resident is an individual who is considered senior in the training program and who may or may not be a licensed independent practitioner. Chief Residents are designated by the Residency Program Director and may assume advanced administrative



responsibilities necessary for the operation of the residency program. Chief Residents fall into one of two categories:

(1) **Chief Resident – In Training.** A Chief Resident – In Training is a Chief Resident who is currently enrolled in an accredited residency program, but who has not completed the full-academic program leading to board eligibility. These Chief Residents are not independent practitioners and cannot be privileged to work in the discipline for which they are being trained. This model is common in surgery programs.

(2) **Chief Resident – Post Training.** A Chief Resident – Post Training is a Chief Resident who has completed an accredited residency program, but is engaged in an additional, non-accredited year of training and responsibility. These Chief Residents have completed their primary training for board eligibility or are board-certified and may be privileged in the discipline of their completed specialty-training program. These Chief Residents are frequently licensed independent practitioners.

**R. Resident Position.** A resident position is a VA-funded resident training position that corresponds to an annual “full” assignment for specialty or subspecialty, program-specific VA educational activities. A single resident position may be filled by multiple residents. A resident position may also be considered as a “split” assignment, which is tracked according to the percent of VA-assigned educational activities.

**S. Scholarly Activities.** Scholarly activities include educational experiences that may involve any of the following or similar types of experiences:

(1) Active participation in clinical discussions, rounds, and conferences in a manner that promotes a spirit of inquiry and scholarship;

(2) Active participation in journal clubs, research conferences, regional or national professional and scientific societies, particularly through presentations at the organizations' meetings and publications in their journals;

(3) Participation in research, primarily, but not necessarily, in projects that are funded by a competitive peer review process or result in publications or presentations at regional and national scientific meetings; and

(4) Offerings that provide guidance and technical support, e.g., research design, statistical analysis, for residents involved in research.

**T. Sponsoring Institution.** A sponsoring institution is an organization or entity that assumes the legal responsibility for trainees enrolled in VA educational experiences. The sponsoring institution is the entity in whose name affiliated programs are accredited and with whom VA must have an affiliation agreement to permit clinical training at VA.

**U. Participating Institution.** A participating institution is any site to which a resident may rotate for educational experiences. Assignments to participating institutions, including both required and elective rotations, require advance approval by the relevant accrediting body. Generally, to be designated a major participating institution, residents must spend at least 2 months in a required rotation (in a 1-year program); at least 4 months (in a 2-year program); and at least 6 months (in a 3 year or longer program).

**V. Disbursing Agent.** The disbursing agent is the entity that pays the residents' salaries and fringe benefits as an agent of VA. VA reimburses the disbursing agent for resident salaries and benefits under a disbursement agreement for educational activities performed by residents assigned to VA.

**W. VA Residency Site Director.** The VA Residency Site Director (hereafter referred to as the "Site Director") is the individual responsible for developing and implementing the specialty-specific training program at VA. The Site Director must ensure that core curricular objectives are met and that educational activities are appropriate and have been completed as assigned. The Site Director must be in the same discipline as that of the trainees, must be closely involved in resident training, and must be appointed with the approval of the Program Director.

## **2. QUALIFICATIONS**

Each physician and dentist appointed to the affiliated residency program must meet the requirements established by the Department of Veterans Affairs (VA) and by the sponsoring institution and program.

## **3. RESPONSIBILITIES**

During the period of the VA residency training, all trainees will be subject to VA policies and procedures and the regulations of the medical staff bylaws for the VA facility.

## **4. VA ASSIGNMENTS AND EDUCATIONAL ACTIVITIES**

a. Prior to the beginning of the allocation cycle (e.g., September or earlier), the VA Designated Education Officer (DEO) and the Designated Institutional Official (DIO) of the sponsoring institution will conduct a joint planning process to determine the number and distribution of VA resident positions within the base allocation. The outcome of the process is a mutually agreed upon plan for the number and distribution of resident positions that will have assigned educational activities at VA for the coming academic year.

b. After the Match, each Program Director, in collaboration with the VA Site Director, prepares the schedules of educational activities based upon capacity to train and the number of available and allocated resident positions and the results of recruitment to those positions. The updated schedules are communicated to the DEO and the DIO.

c. The performance of resident educational activities at VA is guided by the monthly or rotational schedules prepared by the Program Director. All Accreditation Council for Graduated Medical Education (ACGME), or American Osteopathic Association (AOA) requirements regarding duty hours must be met for programs accredited by the ACGME, or AOA.

d. The VA facility must maintain educational activity records that accurately document resident participation by program, name and VA-approved post-graduate year (PGY) level. The basic document for comparison to submitted invoices is a summary document prepared by each VA Site Director of actual participation in assigned educational activities by program and days in

approved activities by PGY level (names of residents need not be included in the summary document).

## **5. CIVIL SUITS**

This agreement does not limit or otherwise affect the rights of residents as provided in Title 38 United States Code (U.S.C.) 7316.

## **6. TERMINATION**

This agreement remains in force unless terminated at the request of either party after a 90-day notice in writing. If this agreement is so terminated, VA is liable only for the payment provisions of this agreement for services rendered prior to the effective date of termination.

## **7. RATE AND COST DETERMINATIONS AND CHANGES**

a. In the preparation of the Disbursement Agreement Rate Schedule (see Attachment A), current salary and benefit rates by PGY level are submitted by the disbursing agent to establish the VA-approved rates. Documentation supporting the salary and fringe benefit rates must be submitted with the rate schedule. New rates must be updated and approved on an annual basis and incorporated into the agreement by amendment to the agreement using an Disbursement Agreement Rate Schedule attachment (see Attachment A). Any modification or amendment of the Disbursement Agreement Rate Schedule attachment is subject to review and approval by the Chief Academic Affiliations Officer. Increases or decreases will be retroactive to effective date of such changes when approved by the Chief Academic Affiliations Officer. Administrative costs are not included in reimbursement rates.

b. The calculation of allowable reimbursement is determined by the monthly or rotational educational activity records and the per diem rates of reimbursement for the PGY level of residents assigned to and participating in educational activities at VA. The per diem rate is determined based upon the PGY-specific annual salary rates at the sponsoring institution or disbursing agent plus the fringe benefits.

(1) A weighted or average Federal Insurance Contributions Act (FICA) rate is determined based upon the proportion of non-citizen residents on J1 visas, as no reimbursement for FICA is allowed for residents on J1 visas for the first 2 years of residency in the United States.

(2) The basis for calculation of the per diem rate is the annual salary plus benefits divided by 365 days per year, less the allowed annual (vacation) leave at the sponsoring institution.

(3) Non-duty days as required by duty-hour restrictions, weekends with no clinical assignments, and holidays are reimbursable (based upon the proportion of time assigned and actually spent in VA educational activities) and other VA-approved absences, as allowed by current VA policy.

(4) Salaries and benefits of without compensation (WOC) residents are not reimbursed. That is, residents paid by other sources (e.g., Department of Defense or visiting residents not paid by the Disbursing Agent) are not eligible for salary or benefit reimbursement.

c. LAC+USC is not reimbursed under this disbursement agreement for any administrative costs related to resident education.

## 8. SCHEDULE OF ASSIGNMENTS

Prior to the beginning of the academic year, the disbursing agent provides an invoice showing the planned number of residents assigned to VA for the ensuing academic year by quarter and estimated total cost. The basis of the invoice is the plan for scheduled resident assignments by program and by PGY level. The planned assignment of VA activities cannot exceed the number of positions allocation to the VA facility.

## 9. FISCAL PROCEDURES

a. A fiscal obligation at the must be established in advance of each month or of each quarter, based on the schedule of resident assignments provided by the affiliate and approved by the VA facility.

b. The disbursing agent submits a quarterly invoice from the disbursing agent containing the following information as the basis for billing:

(1) For each training program, the number of residents at a given PGY level times the calculated number of days per month spent in VA-assignments (based upon the per cent of VA-assigned educational activities for those residents during the month or rotation) equals the calculated number of PGY subtotal days.

(a) The aggregate number of days times the per diem rate (specified on the invoice) by each PGY level by program equals the subtotal amount being charged for the training program (sum of all PGY subtotals for a given program), and the total charge (sum of all program subtotals).

(b) The invoice does not need to contain the names or other identifiers of individual residents.

(c) The VA facility must reconcile the invoice against VA educational activity records.

(d) VA educational activity records are the sole determinant of whether VA activities were performed as billed. VA records are controlling documentation, and unsubstantiated claims will not be paid.

## 10. PAYMENTS

a. The timing of payments to the affiliate for this agreement is payments in arrears.

**b. Provisions for Payment in Arrears:**

(1) VA agrees to reimburse the LAC+USC on a quarterly basis upon receipt of a properly prepared invoice and reconciliation against VA records.

(2) Payments are based on the residents' schedules of educational activities. Residents on "full" VA assignments for the month have their salaries and benefits reimbursed based upon the days in the month or assigned rotation (if less than 1 month), multiplied by the appropriate, approved daily rate by PGY level listed in Attachment A. The daily rate is determined by dividing the total annual salary by 365 (366 in leap years) minus the allowed annual leave. Reimbursement for "split" assignment residents is determined by multiplying the percentage of the resident's activities at VA times the daily rate for the month times the number of days per month.

(3) Annual leave is incorporated into the per diem rate and thus cannot be billed for additionally.

(4) No other excused absences (e.g., sick leave or holidays) may be incorporated into the per diem rate calculation; however, some VA-approved excused absences may be reimbursed per policy.

(5) The LAC+USC will withhold from the salary checks of all residents all required federal, state, and local income taxes, if any, and any other salary deductions required or authorized by law or regulation. Such withholding services will include preparation and submission of all required reports, and the forwarding of monies withheld to the appropriate taxing or other collecting agency.

**11. LEAVE**

a. **Annual Leave.** Annual leave for residents is incorporated into the per diem or daily rate as allowed by the disbursing agent, i.e., the basis for calculation of the per diem rate is the annual salary plus benefits divided by 365 days per year less the allowed annual (vacation) leave at the sponsoring institution. VA will not additionally reimburse annual leave. The disbursing agent will not bill for resident annual leave that may occur during VA assignments. VA-assigned residents may take annual leave provided the leave has been approved in advance by the Program Director and the VA Site Director (if during VA assignments).

b. **Sick Leave.** Sick leave is governed by the policy at the LAC+USC, but must not to exceed 15 days per academic year of training for each resident position as a leave pool or per individual resident. Resident sick leave days do not accrue from year to year. Unused sick leave is non-reimbursable. If allowed by the policy at LAC+USC, sick leave may include family leave, bereavement, or maternity leave.

c. **Military Leave.** Residents who are members of the United States National Guard or a reserve component of the armed forces may be granted military leave, not to exceed 15 calendar days per year, for the performance of active military duty.

d. **Examination Leave.** Residents are allowed leave to undergo examinations for state medical licensure and U.S. specialty boards. The amount of authorized examination leave can not exceed the time actually required for taking the examination and for travel to and from the place of examination.

e. **Authorized Absence for Educational Purposes.** As part of their expected scholarly activities and provided attendance could be reasonably considered to enhance the provision of care to veterans, residents may be permitted to attend a national or local meeting using "authorized absence" (i.e., approved in writing by the VA Site Director and the DEO) for no more than 5 days.

## 12. TERM OF AGREEMENT

This agreement shall be effective (\_\_\_\_\_).

## 13. AUTHORITY

This agreement is entered into under the authority of Title 38, United States Code, Section 7406(c) added by Public Law 93-82 Section 206.

\_\_\_\_\_  
Responsible Official, Sponsoring  
Institution (name and title)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Responsible Official, Disbursing  
Agent (if different from Sponsoring  
Institution)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director, VA Medical Facility

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief Academic Affiliations Office, VA

\_\_\_\_\_  
Date

## DISBURSEMENT AGREEMENT RATE SCHEDULE

## EFFECTIVE DATE:

07/01/2013 Through

06/30/14

## DOCUMENT DATE:

08/29/2013

PAGE 1 OF 1

	PG1	PG2	PG3	PG4	PG5	PG6	PG7
<b>SALARY</b>	\$44,835.73	\$50,160.50	\$54,349.76	\$58,567.79	\$62,672.35	\$66,918.65	\$70,909.99
<b>FICA (7.65%)</b> <sup>See (3) below.</sup>	\$650.12	\$727.33	\$788.07	\$849.23	\$908.75	\$970.32	\$1,028.19
<b>HEALTH INSURANCE</b>	\$4,268.36	\$4,775.28	\$5,174.10	\$5,575.65	\$5,966.41	\$6,370.66	\$6,750.63
<b>DISABILITY INSURANCE</b>	\$4,268.36	\$4,775.28	\$5,174.10	\$5,576.65	\$5,966.41	\$6,370.66	\$6,750.63
<b>LIFE AND AD&amp;D INS</b>	\$4,263.88	\$4,770.26	\$5,168.66	\$5,569.80	\$5,960.14	\$6,363.96	\$6,743.54
<b>BENEFITS (subtotal)</b>	\$13,450.72	\$15,048.15	\$16,304.93	\$17,570.34	\$18,801.70	\$20,075.60	\$21,273.00
<b>TOTAL</b>	\$58,286.45	\$65,208.65	\$70,654.69	\$76,138.12	\$81,474.05	\$86,994.25	\$92,182.99
<b>DAILY RATE</b>	\$169.44	\$189.56	\$205.39	\$221.33	\$236.84	\$252.89	\$267.97

**NOTE:** This example assumes 21 days of allowable annual leave and uses 344 days/year (365-21) to calculate the per diem rate.

(1) Assignment of residents above the PG5 level should be reviewed for consistency with VA policy (but does not require OAA review or approval).

(2) Disbursement for a maximum of 365 days (– the number of days of AL) of VA duty is permitted for each allocated position.

(3) FICA rates must be reduced for residents who are ineligible for FICA, e.g., with J1 visas. An average or pro-rated FICA (taking into account the proportion of non-citizen residents with J1 visas) should be used.

(4) Chief residents who are in a VA-approved, non-accredited training year may be paid a

differential consistent with the stipend rate for chief residents at the sponsoring institution.

[Only 1 chief resident is allowed per 9 positions – or 1 chief resident plus 8 other residents in the same ACGME-accredited training program.]

**DISBURSEMENT  
AUTHORIZED:**

Chief Academic Affiliations Officer